



FSMAO-W Formal Analysis Out-Brief  
of  
14th Marine Regiment

14 Jun 2019



# Agenda

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- **RRGE & Crane Inventory Results**
- **Overall Risk Assessments**
- **High/Med Risk(s)**
- **Low Risk Concerns**
- **Noteworthy Performance**
- **Reporting Requirements**
- **Points of Contact**
- **Resources**



# Inventory Results

## RRGE & Crane Inventory Results

### M14301 HQ BTRY 14TH MAR REG

<b>(1536) On Hand:</b>	<b>\$70,502,172</b>
<b>(16) Accounted For:</b>	<b>\$1,349,732</b>
<b>(0) Physical Gains:</b>	<b>\$0</b>
<b>(0) Physical Losses:</b>	<b>\$0</b>
<b>(5) NIIN Errors:</b>	<b>\$12,734</b>
<b>(0) SerNbr Errors:</b>	<b>\$0</b>
<b>(0) Data Plate Errors:</b>	<b>\$0</b>
<b>(0) Incorrect CMR Errors:</b>	<b>\$0</b>
<b>(0) IB W/O CMR:</b>	<b>\$0</b>

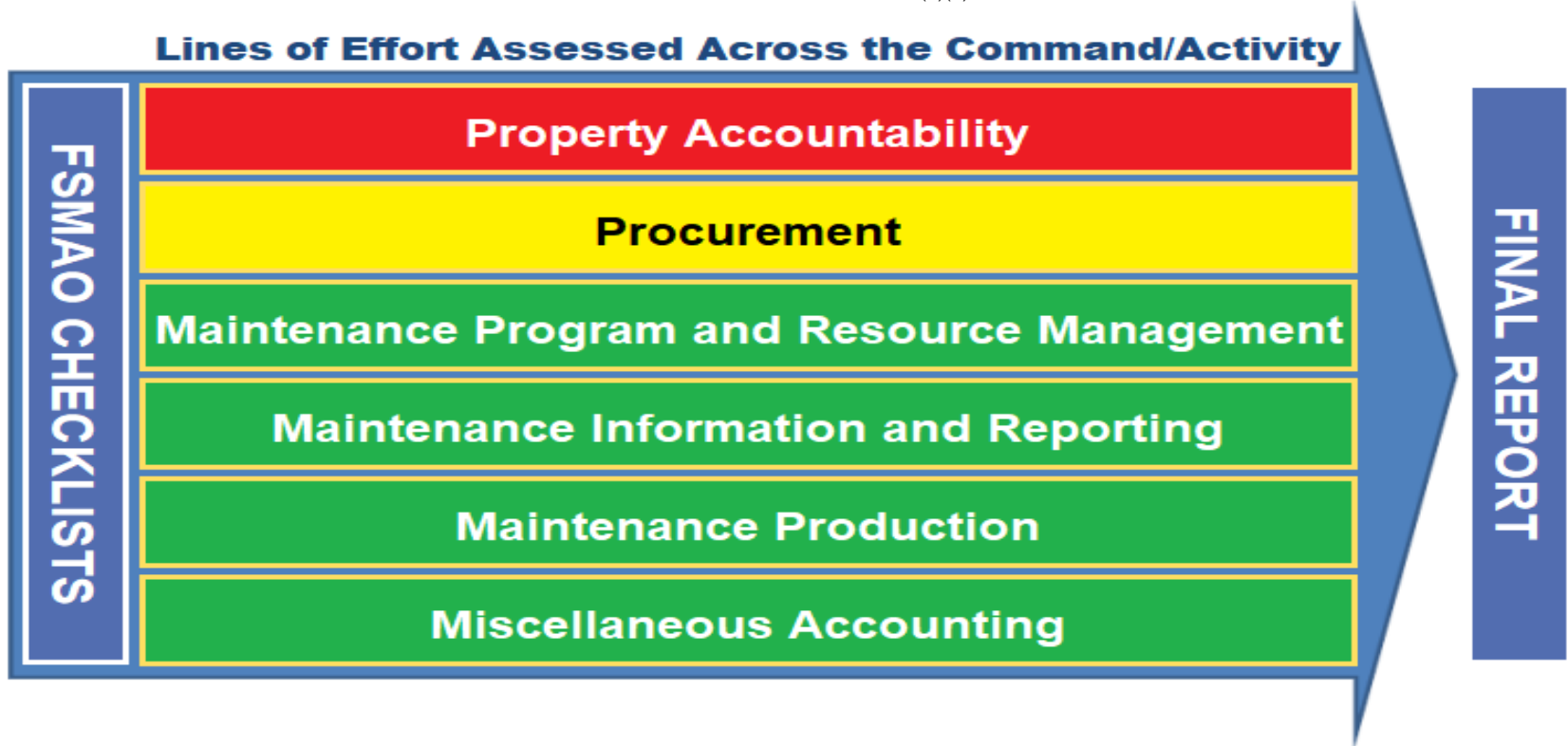


# Overall Risk Assessments

## FSMAO West Analysis Results HQ BTRY 14TH MAR REG

AAC: M14301 - (b)(6)

Lines of Effort Assessed Across the Command/Activity



NOT ANALYZED	LOW RISK	MEDIUM RISK	HIGH RISK
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# Risk Assessment - High

## Property Accountability

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### Condition: Property Management

**Causes:** The Supply Officer and Supply Chief lacked the knowledge, experience, and proficiency required to effectively establish and maintain the unit's property records. The appointed Supply Officer (MOS 0802) did not attend formal training and the Supply Chief lacked follow on supply PME (i.e., MRTC, Ground Supply Chief School). As a result, the following discrepancies occurred:

- Failed to establish procedures for maintaining accurate accountable records, conducting annual physical inventories, conducting location surveys and record reconciliations, and researching inventory discrepancies and causes for inventory adjustments.
- Failed to establish Financial Liability Investigation of Property Loss (FLIPL) procedures for government property (e.g. SAPI Enhanced Inserts, Ground Troop Helmets, ILBE Field Pack, etc.) that was lost, damaged, destroyed, or stolen where \$124k of inventory adjustments were not assessed for liability.
- Failed to maintain proper accountability for items listed in the Perpetual Inventory (i.e. 01A, 01F, and Stages).
- Failed to establish an effective Supply Active File (key supporting documentation) with a complete trail of Monthly Serialized Inventories (MSI), Record Adjustment Vouchers/Money Value Gain Losses, Consolidated Memorandum Receipt (CMR) supporting documentation, or equipment transfer supporting documentation, suitable for audit.



# Risk Assessment - High

## Property Accountability

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### Impacts:

- Failure to maintain accurate accountable records and establish FLIPL procedures led to the physical loss of equipment/repair parts worth over \$450K.
- Failure to establish an effective Supply Active File led to the loss accountability/auditability to support over \$10M of record adjustments and over \$19M in equipment transfers.

### Recommendations:

- Establish an effective training program for all aspects of retail-level supply.
- Establish procedures to manage property.
- Implement effective internal control procedures and conduct comprehensive Semi-Annual Internal Control reviews (Document findings, recommendations, and corrective actions using the NAVMC 4000.5C).
- Maintain key supporting documentation IAW MCO 4400.201.
- Seek guidance and assistance from HHQ and MFR Material Readiness Training Cell (MRTC).



# Risk Assessment -Medium Procurement

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## **Condition: Requisition Management**

**Cause:** The Supply Officer and Supply Chief's lack of knowledge and training prevented the proper supervision of the Requisition Management section which resulted in the following discrepancies:

- Requisition Management Clerk was not trained.
- Failed to establish reconciliation procedures.
- Failed to submit follow-up transactions or initiate corrective actions for lonesome demands.
- Failed to submit corrective actions for aged shipments.
- Failed to reconcile requisitions listed on a closed Service Request.

## **Impacts:**

- Failure to manage requisitions may lead to an increase of maintenance cycle time, unnecessary expenditures of funds, reduce equipment availability, and inaccurate reporting.
- Failure to manage requisitions and initiate corrective action on aged shipments resulted in a waste of unit resources, and contributed to a loss of non-RRGE and Class IX worth over \$230K.

## **Recommendations:**

- Manage all requisitions IAW MCO 4400.150 and UM 4000.125.
- Execute effective reconciliations with Supply, MMO and all commodities.
- Establish an effective training program for all aspects of retail-level supply operations within the command.



# Low Risk Concerns

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- **Warehousing**
- **Roles and Responsibilities (DD 577)**
- **Configuration (SUR/TAP)**
- **Inventory Control (SUR/TAP)**





# Noteworthy Performance

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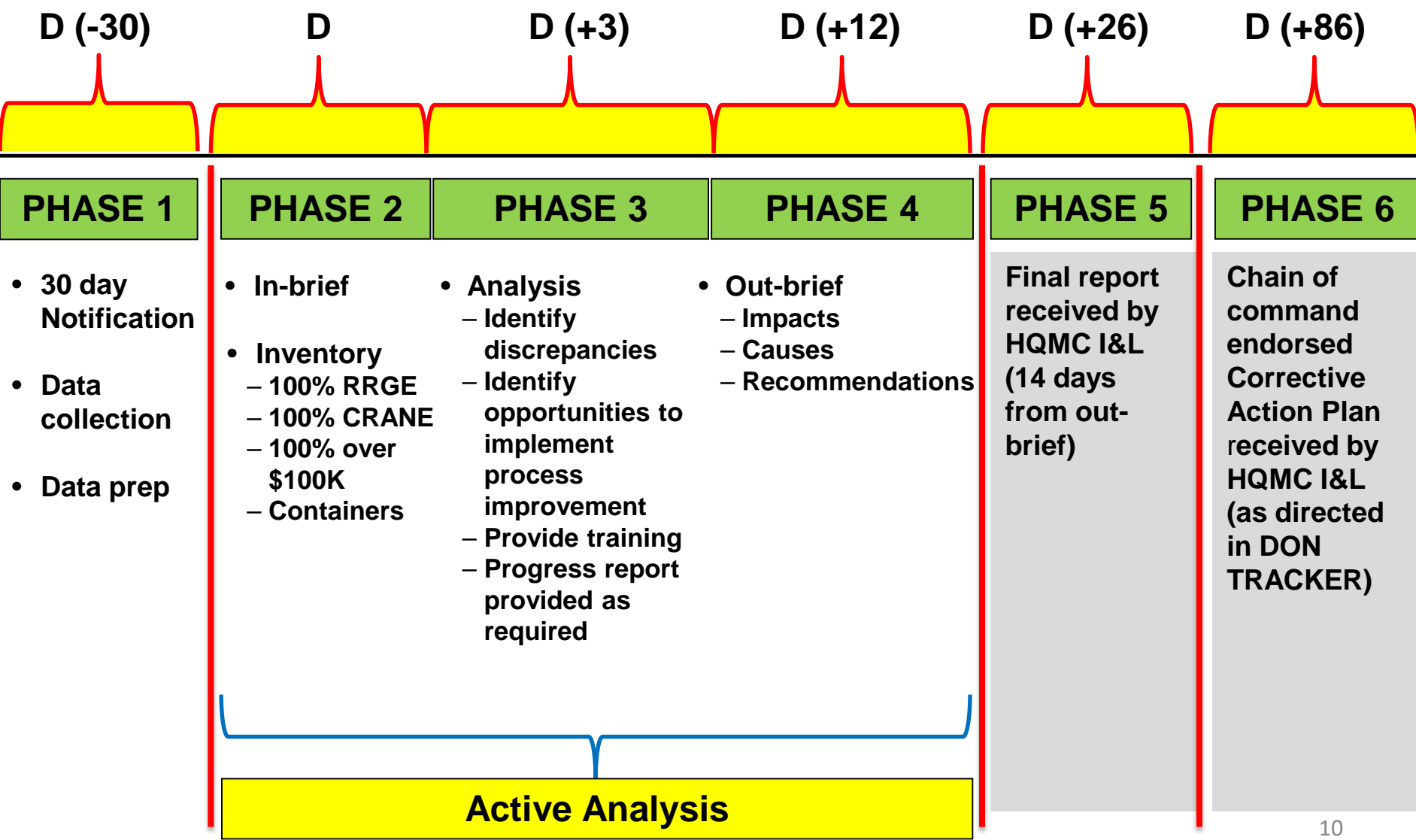
**The following personnel exhibited a high level of proficiency clearly evident during the analysis:**

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# Reporting Requirements





# FSMAO-West Points of Contact

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**OIC**

**SNCOIC**

**Team Office**

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**OpsO**

**Current Ops**



# Resources

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- **FSMAO-W Shared Drive and SharePoint**

- Checklists, References, Trends, Chief Seminar Briefs

**FSMAO West Shared Drive**

**[\\Mcuspndfs43\\c16\\MCB\\_CAMPEL\\_16AA\\01\\_FSMAO\\_Public](\\Mcuspndfs43\\c16\\MCB_CAMPEL_16AA\\01_FSMAO_Public)**

**FSMAO West SharePoint**

**<https://eis.usmc.mil/sites/fsmao-west/default.aspx>**

- **MFR Logistics Systems Coordination Office (LSCO)**

- Provides customer service related to GCSS-MC matters. Contact LSCO before the help desk, they may be able to assist.

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- **MFR Material Readiness Training Center (MRTC)**

- Provide GCSS-MC training in a simulated environment as well as specially formulated scenarios

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